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Thailand

Grain and Feed

Weekly Rice Price Update

2004

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Report Highlights:

Export prices rebounded, but any further increase is expected to be limited.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Bangkok [TH1]
[TH]

Indicative Prices (Week Ending Oct. 4):

| Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.) | | | | | | | | | |
|---|-----------------------|-----|-----|-----|-----|-----|-----|-------------|------|
| | Exporter Observations | | | | | | | Period Avg. | |
| | #1 | #2 | #3 | #4 | #5 | #6 | #7 | CUR. | PRV. |
| F WR 100 B | 390 | 350 | 380 | 403 | 400 | 360 | 370 | 379 | 386 |
| WR 100 B | 242 | 242 | 248 | 245 | 235 | 246 | 240 | 243 | 236 |
| PB 5% | 240 | 241 | 250 | 251 | 250 | 256 | 245 | 248 | 244 |
| WR 5% | 238 | 237 | 243 | 240 | 234 | 241 | 235 | 238 | 232 |
| WR 10% | 236 | 232 | 240 | 237 | 232 | 239 | 230 | 235 | 228 |
| WR 15% | 230 | 229 | 235 | 235 | 229 | 237 | 225 | 231 | 225 |
| WR 25% | 226 | 225 | 230 | 230 | 224 | 225 | 220 | 226 | 220 |
| WR 35% | 224 | 222 | 225 | 227 | 222 | 222 | 215 | 222 | 217 |
| A 1 SUP | 199 | 198 | 220 | 196 | 208 | 200 | 195 | 202 | 199 |
| A 1 SPEC | 197 | 197 | 218 | 193 | 206 | - | 193 | 201 | 197 |
| | | | | | | | | | |
| Source: Average actual prices received from exporters | | | | | | | | | |

Market Tone

Export prices for most grades of rice bounced back to late July's level, which is considered to be too high. The upward pressure on prices mainly reflected psychological effect from coming government intervention program, which will start on Nov. 1. The higher intervention prices of around 1,300 Baht/ton (roughly US\$ 32/MT) from the previous year's prices attracted most local millers and traders to hold stocks. As a result, some exporters faced some difficulties in securing the pending shipments. However, as for major exporters, trade sources reported that they have already covered the outstanding contract, particularly for Iraq and Iran.

The price surge reportedly dampened new order demand from foreign buyers, as global supply situation is more relaxed, following new crop supply from Vietnam and India. Also, at the moment, most exporters are more cautious in making a deal, mainly due to the concern over current price uncertainty. As a result, further price increase is expected to be limited.

The following are reported rice exports (as is basis):

| WEEK ENDING | QUANTITY | 4-WK AVG | YEAR TO DATE | YEAR AGO |
|----------------|----------|----------|-----------------|----------|
| | (MT) | (MT) | (TMT) | (TMT) |
| AUG 15 | 125,322 | 164,521 | 4,672 | 2,912 |
| AUG 22 | 126,229 | 146,722 | 4,798 | 3,052 |
| AUG 29 | 159,721 | 139,441 | 4,958 | 3,180 |
| SEP 5 | 96,277 | 126,887 | 5,054 | 3,277 |
| SEP 12 | 112,729 | 123,755 | 5,167 | 3,406 |
| SEP 19 | 174,336 | 135,781 | 5,342 | 3,510 |
| SEP 26 | 221,118 | 151,131 | 5,563 | 3,524 |
| OCT 3 | 194,347 | 175,648 | 5,757 | 3,708 |

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Unofficial exports (excluding fragrant rice) for Sep. 27 – Oct. 3, 2004 totaled 194,347 tons, down 26,772 tons from the previous week's total and up 18,698 tons from the four-week moving average of 175,684 tons. Exports during Jan. 1 – Oct. 3, 2004 totaled 5,756,990 tons, compared with 3,708,046 tons during the same period in 2003.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1- Sep. 22, 2004, amounted to 6,904,683 tons, up 36 percent from 5,062,868 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of Sep. 13-17, Sep. 20-24, and Sep. 27 – Oct. 1, 2004 are as follows:

| Movement (MT) | Sep. 13-17 | Sep. 20-24 | Sep. 27 – Oct. 1 |
|--------------------|------------|------------|------------------|
| weekly sales | 203,808 | 129,463 | 294,776 |
| 4 week sum | 716,124 | 687,585 | 802,349 |
| 4 week mov. avg. | 179,031 | 171,896 | 200,587 |
| Total weekly sales | 6,181,759 | 6,311,222 | 6,605,998 |

End of Report.